



U. S. Department of Justice

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332

Washington, D.C. 20530

PUBLIC INTEGRITY SECTION  
CRIMINAL DIVISION  
WASHINGTON, D.C. 20530

TELECOPIER TRANSMITTAL SHEET

DATE:

9-4-96

TO:

JOHN BERNSTEIN  
FEC/CG

FROM:

CRAIG C. DONOVITO

RE:

GRADUATE SENTENCING

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COMMENTS:

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MOMENT AS YOUR  
CALL!

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

UNITED STATES OF AMERICA )

)

VS.

) NO. S-96-0170 CRIMINAL

)

LALIT H. GADHIA )

)

AUGUST 6, 1996

BALTIMORE, MARYLAND

THE ABOVE ENTITLED CASE CAME ON FOR SENTENCING BEFORE  
THE HONORABLE FREDERIC N. SMALKIN AT 9:30 A.M.

A P P E A R A N C E S

FOR THE GOVERNMENT:

JOSEPH L. EVANS, ESQ.

FOR THE DEFENDANT:

DANIEL F. GOLDSTEIN, ESQ.

\* \* \* \* \*

P R O C E E D I N G S

THE COURT: WELL, FIRST, A FEW OBSERVATIONS.

MR. EVANS IS WELL KNOWN TO ME AS ONE OF THE FINEST PROSECUTORS THAT HAS PRACTICED IN THIS COURT, AND HE IS NOT A VINDICTIVE OR SMALL OR MEAN PERSON. I THINK, IN ASKING FOR A SENTENCE OF INCARCERATION, HE QUITE JUSTIFIABLY REFLECTS THE CONCERN THAT MEMBERS OF THE PUBLIC AT LARGE HAVE THAT THE POLITICAL PROCESS IS BEING MANIPULATED BY FORCES THAT ARE BEYOND THEIR PURVIEW OR THEIR ACCESS, AND THAT MAKES THE AMERICAN PUBLIC CYNICAL ABOUT THE POLITICAL PROCESS AND ABOUT POLITICAL INSIDERS.

MR. GADHIA HAS BEEN A POLITICAL INSIDER. HE STARTED AS AN OUTSIDER. HE BECAME AN INSIDER. THERE IS NO HINT THAT ANYTHING HE DID ON HIS TRAIL FROM THE OUTSIDE TO THE INSIDE OF POLITICS HAS BEEN INFECTED WITH ANY TAINT. THERE IS EVERY REASON TO BELIEVE FROM THE -- FROM WHAT I HAVE SEEN IN THE COURTROOM AND READ ABOUT HIM AND HEARD FROM REVEREND -- MR. DOBSON, THAT HIS INITIAL INVOLVEMENT IN THE POLITICAL PROCESS AT ALL LEVELS AND HIS CONTINUING INVOLVEMENT IN THE POLITICAL PROCESS HAS COME FROM A MOTIVATION TO DO GOOD FOR SEGMENTS OF THE COMMUNITY AND FOR THE COMMUNITY AT LARGE.

TO CONTINUE DEALING WITH PERSONS, MR. GOLDSTEIN IS ONE OF THE FINEST ADVOCATES THAT HAS EVER APPEARED IN THIS COURT, BOTH AS A PROSECUTOR AND AS A DEFENSE COUNSEL, AND HE HAS OBVIOUSLY -- IS DOING HIS JOB HERE NOT JUST AS AN

1 ADVOCATE, BUT AS A FRIEND, AND THAT SHOWS; AND, HE HAS NOT LET  
2 HIS FRIENDSHIP IN ANY WAY INTERFERE WITH HIS PROFESSIONAL  
3 JUDGMENT AS AN ADVOCATE OR HIS SKILL AS AN ADVOCATE, WHICH  
4 LEADS US TO THE QUESTION OF HOW, WITHIN THE DISCRETION GIVEN  
5 ME BY THE SENTENCING GUIDELINES, TO PUNISH SOMEONE WHO IS A  
6 FUNDAMENTALLY GOOD MAN FOR DOING SOMETHING THAT IS  
7 FUNDAMENTALLY BAD.

8 WHEN I SAY FUNDAMENTALLY BAD, I DON'T MEAN IT POSED A  
9 DANGER OF SOMEONE BEING HURT OR INJURED OR SHOT OR PROVOKING  
10 AN ACT OF VIOLENCE OR THAT CONSTITUTED AN ACT OF VIOLENCE. I  
11 CANNOT CONCEIVE OF MR. GADHIA IN MY WILDEST NIGHTMARES -- AND  
12 I DON'T THINK ANYBODY HERE CAN -- OF DOING ANYTHING TO HARM AN  
13 INDIVIDUAL IN TERMS OF WHAT WE TEND TO THINK OF CUSTOMARILY AS  
14 CRIMINAL LAW AS WE FIND THAT CRIMINAL LAW EMBODIED IN THE TEN  
15 COMMANDMENTS OR WHATEVER FUNDAMENTAL PRINCIPLES WE LOOK TO TO  
16 SEE MORALLY WHAT IS RIGHT OR WRONG; BUT, WE LIVE IN A SOCIETY  
17 THAT HAS GOTTEN FAR TOO COMPLEX TO BE GOVERNED BY SIMPLISTIC  
18 NOTIONS OF WHAT IS RIGHT AND WRONG, WHICH LEADS TO A  
19 PROLIFERATION OF LAWS THAT ARE DESIGNED TO REGULATE BEHAVIOR,  
20 AND THE ONLY TWO ENFORCEMENT MECHANISMS FOR THOSE LAWS ARE  
21 CIVIL AND CRIMINAL PENALTIES.

22 AS MR. GOLDSTEIN POINTS OUT, THIS CASE WAS NOT  
23 PURSUED SOLELY CIVILLY, BUT BY WAY OF A CRIMINAL PROSECUTION.  
24 THE GOALS OF SUCH A PROSECUTION GO BEYOND THE INDIVIDUAL THAT  
25 IS BEFORE THE COURT TO A CONSIDERATION OF WHAT SOCIETY DERIVES

1 WHEN SOMEONE IS PUNISHED.

2 THE FOUR TRADITIONAL GOALS OF PUNISHMENT IN TERMS OF  
3 REHABILITATION, RETRIBUTION, OUTRIGHT PUNISHMENT AND ISOLATION  
4 HAVE GIVEN WAY TO THE MECHANISTIC CONCERNS OF THE SENTENCING  
5 GUIDELINES, BUT STILL THEY ARE RELEVANT IN TERMS OF WHERE AND  
6 HOW THE COURT EXERCISES THE DISCRETION THAT IS RESERVED TO IT  
7 UNDER THE GUIDELINES.

8 OBVIOUSLY, THERE IS NO NEED TO ISOLATE THIS MAN FROM  
9 SOCIETY IN TERMS OF THE PROTECTION OF SOCIETY AT LARGE,  
10 BECAUSE HE IS NOT SOMEONE WHO POSES AN IMMINENT RISK OF  
11 PERSONAL OR SOCIETAL HARM TO OTHER MEMBERS OF SOCIETY. WHEN  
12 IT COMES DOWN TO THAT, HE PROBABLY DOES MORE GOOD AT LARGE IN  
13 THE COMMUNITY THAN IF YOU EMPTIED OUT THE CONTENTS OF EVERY  
14 JAIL IN THE COUNTRY, THAT THE CHANCES OF ANY ONE OF THOSE  
15 PERSONS WOULD PERFORM ANY GOOD FOR SOCIETY IS NIL COMPARED TO  
16 WHAT -- THE GOOD THAT HE HAS DONE IN THE PAST, IN TERMS OF  
17 ISOLATION FROM THE REST OF SOCIETY, THAT IS OBVIOUSLY NOT A  
18 GOAL HERE.

19 REHABILITATION IS OBVIOUSLY NOT AT ISSUE. THE  
20 SENTENCING COMMISSION HAS ESSENTIALLY JUNKED IT AND SO DID  
21 CONGRESS; BUT, EVEN SO, IT IS NOT RELEVANT HERE BECAUSE THE  
22 MAN IS ALREADY EDUCATED AT THE PH.D. LEVEL, AND HE DOESN'T  
23 NEED TO LEARN HOW MAKE BOOKCASES.

24 IN TERMS OF VENGEANCE OR REVENGE, THAT IS NOT REALLY  
25 RELEVANT HERE IN ITS CLASSICAL SENSE OF PRESERVING THE PEACE

1 AS A MEANS FOR VICTIMS TO GET ALTERNATIVE REDRESS. THAT IS  
2 WHAT THE VENGEANCE OR RETRIBUTION ASPECT OF PUNISHMENT HAS  
3 TRADITIONALLY DONE; BUT HERE IT IS NOT PRECISELY RELEVANT, BUT  
4 IT DOES BEAR SOME LITTLE BIT OF RELEVANCE IN DECIDING WHERE  
5 THE SENTENCE SHOULD BE, WHEN IT IS TAKEN IN CONJUNCTION WITH  
6 THE REMAINING FACTOR, WHICH IS DETERRENCE.

7 HOW IT BEARS SOME RELEVANCE TO THE SENTENCE IS THAT,  
8 IN A SENSE, THE FAITH OF THE PUBLIC IN POLITICAL INSTITUTIONS  
9 AND THOSE WHO PARTICIPATE IN THEM IS WHAT IS OFFENDED IN THIS  
10 CASE. I AM NOT KNOWN AS A TREMENDOUS FAN OF CERTAIN  
11 NEWSPAPERS, BUT ONE OF THE LOCAL NEWSPAPERS RAN A SERIES IN  
12 THE LAST FEW DAYS THAT I THOUGHT WAS PARTICULARLY APPROPRIATE,  
13 AND IT HAD TO DO WITH A VOYAGE ACROSS THE COUNTRY OR TRIP  
14 ACROSS THE COUNTRY ON ROUTE 40, STARTING, I THINK, SOMEWHERE  
15 IN CALIFORNIA AND WINDING UP HERE IN MARYLAND ON -- THE LAST I  
16 READ IT WAS ON SUNDAY -- AT PULASKI HIGHWAY, AND THE COMMON  
17 THREAD OF THE INTERVIEWS THAT WERE DONE, SORT OF PERSON ON THE  
18 STREET INTERVIEWS THAT WERE DONE, WAS THE TREMENDOUS RESERVOIR  
19 OF CYNICISM ABOUT THE POLITICAL PROCESS AND THE FEELING THAT  
20 AS AN INDIVIDUAL YOUR VOTE DOESN'T COUNT; WHY BOTHER TO VOTE;  
21 THE PROCESS IS BEING GOVERNED BY PEOPLE WHO ARE MUCH BIGGER  
22 THAN YOU AND WHO ARE IN A POSITION TO DO WHAT THEY WANT TO DO  
23 UNINFLUENCED BY WHAT YOU AS A VOTER WANT, SO WHY EVEN BOTHER  
24 BECAUSE THE PROCESS IS SO TAINTED AND CORRUPTED BY SPECIAL  
25 INTERESTS THAT THE INDIVIDUAL AMERICAN IS NO LONGER RELEVANT

1 TO THE POLITICAL PROCESS.

2 TO THAT EXTENT, THERE IS A RETRIBUTIVE ASPECT THAT  
3 HAS GOT TO BE TAKEN INTO ACCOUNT IN FASHIONING THE SENTENCE IN  
4 THIS CASE, BECAUSE THE AMERICAN PUBLIC DOESN'T HAVE ANY OTHER  
5 WAY -- WELL, ITS GOT TWO WAYS TO EXPRESS ITS CYNICISM OR ITS  
6 DISTRUST IN THE POLITICAL PROCESS. ONE IS TO VOTE OUT THE  
7 INCUMBENTS, WHICH THEY DO OR DON'T DO -- YOU KNOW, POLITICAL  
8 WINGS CHANGE, BUT THE OTHER IS THROUGH APPLICATION OF CRIMINAL  
9 LAW TO PUNISH THOSE WHO VIOLATE THE LAWS THAT -- THROUGH A  
10 REPUBLICAN PROCESS THAT'S BEEN ADOPTED TO GOVERN THE ELECTION  
11 MECHANISM.

12 THE NEXT GOAL, OBVIOUSLY, OF PUNISHMENT, AND THE ONLY  
13 ONE LEFT THAT'S RELEVANT HERE, IS THE GOAL OF DETERRENCE, AND  
14 WITHIN THAT THERE ARE TWO SUB-SETS: INDIVIDUAL DETERRENCE AND  
15 GENERAL DETERRENCE.

16 AS FAR AS INDIVIDUAL DETERRENCE IS CONCERNED, I DON'T  
17 THINK THERE IS ANY CHANCE THAT MR. GADHIA WOULD BE HERE AS A  
18 RECIDIVIST, GIVEN HIS CHARACTER AND GIVEN THE NATURE OF THIS  
19 KIND OF OFFENSE. SO, INDIVIDUAL DETERRENCE IS RATHER BESIDE  
20 THE POINT. IN MANY WAYS THAT HAS ALREADY HAPPENED SIMPLY BY  
21 THE FACT OF PROSECUTION.

22 AS HE HAS INDICATED AND AS YOU HAVE POINTED OUT, MR.  
23 GOLDSTEIN, HE SURRENDERED HIS LICENSE AND LOST HIS LIVELIHOOD  
24 THAT HE WORKED HARD TO GET; BUT, THEN THERE IS, OF COURSE, THE  
25 PROBLEM OF GENERAL DETERRENCE, AND GENERAL DETERRENCE IS

1 PARTICULARLY A PROBLEM IN SO-CALLED WHITE COLOR CRIMES, AND  
2 YOU ARE NOT GOING TO DETER PEOPLE FROM ROBBING BANKS BY THE  
3 CERTAIN KNOWLEDGE THAT IF YOU ROB A BANK, YOU ARE GOING TO DO  
4 JAIL TIME. EVERYBODY IS IN THE POSSIBLE POPULATION OF THOSE  
5 WHO WOULD ROB BANKS, INCLUDING EVEN PEOPLE WHO ARE OTHERWISE  
6 LAW-ABIDING WHO HAVE THE FLASHING THOUGHT WHEN THEY NEEDED  
7 MONEY, GEE, I COULD GO IN AND HOLD UP THAT BANK. I MEAN,  
8 THERE ARE PROBABLY A LOT OF SORT OF OSTENSIBLY NORMAL PEOPLE  
9 WHO THOUGHT THAT, BUT THEY IMMEDIATELY DISCARD IT BECAUSE THEY  
10 KNOW THEY ARE GOING TO GO TO JAIL.

11 SO, THERE THERE IS SOME DETERRENT EFFECT THERE; BUT,  
12 HERE WE ARE DEALING WITH A DETERRENT EFFECT OF A DIFFERENT  
13 NATURE. HERE WE ARE DEALING WITH PEOPLE WHO ARE OTHERWISE  
14 GOOD PEOPLE; PEOPLE WHO OTHERWISE HAVE STANDING IN THE  
15 COMMUNITY TO PUT THEM IN A PLACE WHERE THEY CAN GET INVOLVED  
16 IN THE POLITICAL PROCESS, AND ESPECIALLY IN THE FINANCING OF  
17 POLITICAL CAMPAIGNS, WHICH IS A RATHER LIMITED SUBSET OF  
18 INDIVIDUALS, AND WHAT WILL DETER THEM.

19 TRADITIONALLY IT'S BEEN FELT THAT A SENTENCE TO SOME  
20 AMOUNT OF IMPRISONMENT IS THE ONLY EFFECTIVE DETERRENT THAT  
21 WILL WORK IN THE CASE OF PEOPLE WHO ARE OTHERWISE GOOD PEOPLE,  
22 BUT WHO VIOLATE LAWS THAT ARE NOT OF THE CALIBER OF -- LAWS  
23 AGAINST BANK ROBBERY OR OTHER VIOLENT OFFENSES, BUT ARE  
24 REGULATORY OFFENSES WHERE THE INTEGRITY OF THE PROCESS IS  
25 CALLED INTO QUESTION.



1 AND I HAVE GOT TO TELL YOU I HAVE THOUGHT ABOUT THIS  
2 NOT JUST THIS MORNING, BUT BEFORE WE CAME INTO COURT,  
3 OBVIOUSLY, FOR SOME PERIOD OF TIME THAT IN THE EVENT THAT WE  
4 WOUND UP WITH AN OFFENSE LEVEL TEN IN ZONE B, WHAT WOULD THE  
5 APPROPRIATE EXERCISE OF SENTENCING DISCRETION BE?

6 I HAVE TAKEN INTO ACCOUNT ALL OF THE FACTORS UNDER  
7 SECTION 3553 AND 3661 THAT HAVE BEEN MENTIONED IN CONNECTION  
8 WITH THE DEPARTURES ARGUED UP AND DOWN, IN CONNECTION WITH THE  
9 LETTERS THAT HAVE BEEN WRITTEN. IN CONNECTION WITH THE  
10 TESTIMONY AND THE ALLOCUTION BOTH FROM YOU, MR. GOLDSTEIN, AND  
11 FROM YOU, MR. GADHIA, AND WHERE I COME OUT IS THAT SOME SHORT  
12 PERIOD OF IMPRISONMENT IS NECESSARY IN ORDER TO FULFILL THE  
13 NEED FOR GENERAL DETERRENCE AND TO FULFILL THE NEED THAT THE  
14 AMERICAN PUBLIC HAS TO KNOW THAT PEOPLE ON THE INSIDE OF THE  
15 PROCESS WILL NOT BE ALLOWED TO MANIPULATE IT WITHOUT A  
16 PUNISHMENT OF SOME CONSEQUENCE; HOWEVER, ZONE B OF THE  
17 GUIDELINES GIVES ME THE FLEXIBILITY TO SEE TO IT THAT THE  
18 PERIOD OF IMPRISONMENT IS NO LONGER THAN WHAT I CONSIDER  
19 NECESSARY TO ACHIEVE THESE GOALS AND IS BELOW THAT WHICH IS  
20 OTHERWISE REQUIRED UNDER THE GUIDELINE TABLE, WHICH IS SIX  
21 MONTHS.

22 SO, THE SENTENCE, FOR ALL OF THOSE REASONS, IS AS  
23 FOLLOWS: YOU CAN REMAIN SEATED MR. GADHIA.

24 THE DEFENDANT HAVING PLEADED GUILTY TO COUNT 1 OF THE  
25 INFORMATION IS ADJUDGED GUILTY THEREOF AND SENTENCED AS

1 PROVIDED IN THIS JUDGMENT PURSUANT TO THE SENTENCING REFORM  
2 ACT OF 1984.

3 FURTHER ORDERED THE DEFENDANT SHALL NOTIFY THE UNITED  
4 STATES ATTORNEY WITHIN 30 DAYS OF ANY CHANGE OF NAME,  
5 RESIDENCE OR MAILING ADDRESS UNTIL ALL FINES, RESTITUTION,  
6 COSTS, AND SPECIAL ASSESSMENTS IMPOSED BY THIS JUDGMENT ARE  
7 FULLY PAID.

8 THE DEFENDANT IS HEREBY COMMITTED TO THE CUSTODY OF  
9 THE UNITED STATES BUREAU OF PRISONS TO BE IMPRISONED FOR A  
10 TOTAL TERM OF THREE MONTHS.

11 THE COURT MAKES THE FOLLOWING RECOMMENDATION TO THE  
12 BUREAU OF PRISONS: THAT THE DEFENDANT BE HOUSED AT A CAMP OR  
13 OTHER MINIMUM SECURITY INSTITUTION CLOSE TO BALTIMORE.

14 YOU WANT ME TO RECOMMEND ALLENWOOD OR CUMBERLAND IN  
15 PARTICULAR?

16 MR. GOLDSTEIN: I AM NOT SURE I HAVE THE KNOWLEDGE.  
17 COULD I GET BACK TO THE COURT LATER?

18 THE COURT: ALL RIGHT.

19 MR. GOLDSTEIN: THANK YOU.

20 THE COURT: (CONTINUING) SUCH AS CUMBERLAND OR  
21 ALLENWOOD.

22 I ALSO UNDERSTAND THAT IN SOME CASES OF SHORT PERIODS  
23 OF IMPRISONMENT LIKE THIS, THEY ARE SERVED SIMPLY IN A CTC  
24 TYPE SETTING LIKE THE V.O.A. SO, IT MAY WELL BE THAT THAT IS  
25 WHERE IT WINDS UP, BUT THAT IS NOT MY CALL. THAT IS UP TO THE

FRED SAPPERSTEIN, RPR, CHIEF OFFICIAL COURT REPORTER

1 BUREAU OF PRISONS. OKAY?

2 MR. HANNIGAN, DO YOU KNOW WHAT THE STATUS OF THAT IS  
3 THESE DAYS?

4 MR. HANNIGAN: THAT IS STILL POSSIBLE, YOUR HONOR.

5 THE COURT: ALL RIGHT. BUT I DON'T MAKE THAT CALL.

6 MR. HANNIGAN: NOT UNLESS YOU WANT TO, YOUR HONOR.

7 THE COURT: WELL, I CAN'T MAKE THE CALL. I MEAN, I  
8 WILL PUT DOWN HERE THAT I HAVE NO OBJECTION TO A RESIDENTIAL  
9 CTC, OKAY? BUT IT IS UP TO THE BUREAU OF PRISONS TO MAKE THE  
10 ASSIGNMENT.

11 ALL RIGHT. DEFENDANT WILL SURRENDER TO THE UNITED  
12 STATES MARSHAL -- WELL, ACTUALLY, WE WILL GIVE HIM A VOLUNTARY  
13 REPORT.

14 DEFENDANT WILL SURRENDER FOR SERVICE OF SENTENCE AT  
15 THE INSTITUTION DESIGNATED BY THE BUREAU OF PRISONS AS  
16 NOTIFIED BY THE UNITED STATES MARSHAL. DO YOU UNDERSTAND  
17 THAT, MR. GADHIA?

18 THE DEFENDANT: YES.

19 THE COURT: ALL RIGHT. UPON RELEASE FROM  
20 IMPRISONMENT, THE DEFENDANT WILL BE ON SUPERVISED RELEASE FOR  
21 A TERM OF TWO YEARS. I HAVE TO IMPOSE TWO YEARS HERE, BECAUSE  
22 THAT IS THE MINIMUM FOR A CLASS D FELONY.

23 I WOULD OBVIOUSLY CONSIDER A ONE YEAR TERMINATION ON  
24 PETITION. WE HAVE ASKED THE PROBATION DEPARTMENT TO LOOK AT  
25 ALL OF THESE AFTER ONE YEAR. SO, WE WILL SEE.

1 UPON RELEASE FROM IMPRISONMENT, THE DEFENDANT WILL BE  
2 ON SUPERVISED RELEASE FOR A TERM OF TWO YEARS ON THE CONDITION  
3 THAT HE BE ON HOME DETENTION WITH ELECTRONIC MONITORING FOR A  
4 PERIOD OF SIX MONTHS DURING THE PERIOD OF SUPERVISED RELEASE.

5 MR. GOLDSTEIN: MY RECOLLECTION IS THAT IS A  
6 CONDITION WE CAN SEEK A MODIFICATION OF SUBSEQUENTLY. MY  
7 CONCERN THERE HAS TO DO WITH SOME OF THE JOB OPPORTUNITIES  
8 THAT MAY EXIST MAY INVOLVE SOME TRAVELING.

9 THE COURT: WELL, I UNDERSTAND THAT. USUALLY THAT  
10 CAN BE WORKED OUT WITH THE PROBATION DEPARTMENT.

11 MR. GOLDSTEIN: SOMETIMES, YES; SOMETIMES, NO.

12 THE COURT: SOMETIMES, YES; SOMETIMES, NO. IF THERE  
13 IS A PARTICULAR PROBLEM, I WILL BE FLEXIBLE WITH REGARD TO IT  
14 AS I AM SURE THE PROBATION OFFICE WILL BE, TOO.

15 MR. GOLDSTEIN: THANK YOU.

16 THE COURT: OKAY. ALL RIGHT. OTHER CONDITIONS ARE  
17 YOU MUST REPORT TO THE OFFICE -- PROBATION OFFICE IN THE  
18 DISTRICT TO WHICH YOU ARE RELEASED WITHIN 72 HOURS OF RELEASE  
19 FROM THE CUSTODY OF THE BUREAU OF PRISONS; YOU WILL NOT COMMIT  
20 ANOTHER FEDERAL, STATE OR LOCAL CRIME; YOU WILL NOT ILLEGALLY  
21 POSSESS ANY CONTROLLED SUBSTANCE -- THERE IS NO REASON TO  
22 IMPOSE A DRUG TESTING CONDITION HERE, THERE IS NO RISK OF DRUG  
23 ABUSE. YOU WILL NOT POSSESS A FIREARM AS DEFINED IN THE  
24 FEDERAL CODE. DO YOU UNDERSTAND THAT?

25 THE DEFENDANT: YES.

1 THE COURT: ALL RIGHT. AND YOU ARE ALSO SUBJECT, MR.  
2 GADHIA, TO THE STANDARD CONDITIONS OF SUPERVISION SET FORTH ON  
3 PAGE THREE OF THE JUDGMENT IN THIS CASE. THERE IS A CRIMINAL  
4 MONETARY PENALTY OF \$50 SPECIAL ASSESSMENT.

5 DOES THE GOVERNMENT SEEK A FINE IN THIS CASE?

6 MR. EVANS: WE DIDN'T MAKE A REQUEST SPECIFICALLY FOR  
7 ONE, YOUR HONOR.

8 THE COURT: GIVEN THE IMPENDING PENALTIES AND THE  
9 LOSS OF HIS PROFESSIONAL LICENSE AND HIS NEGATIVE NET WORTH  
10 POSITION, I AM NOT GOING TO IMPOSE ANY FINE IN THIS CASE.

11 ALL RIGHT. THE CRIMINAL MONETARY PENALTY HAS ALREADY  
12 BEEN PAID.

13 DO I HAVE TO DO THAT PAGE FIVE?

14 THE CLERK: NO, SIR.

15 THE COURT: LET ME DO THE PAGE FIVE JUST TO SAY THAT  
16 IT IS TO BE PAID IN FULL IMMEDIATELY. ITS ALREADY BEEN PAID.

17 ALL RIGHT, THAT IS THE SENTENCE OF THE COURT. MR.  
18 GADHIA, DO YOU UNDERSTAND YOU DO HAVE THE RIGHT TO APPEAL FROM  
19 THIS SENTENCE? DO YOU UNDERSTAND THAT?

20 THE DEFENDANT: YES, SIR.

21 THE COURT: AND THAT IF YOU WISH AN APPEAL TO BE  
22 TAKEN, YOU CAN ASK MR. GOLDSTEIN TO FILE A NOTICE OF APPEAL.  
23 IF FOR ANY REASON HE SHOULD FAIL OR REFUSE TO DO SO, YOU CAN  
24 FILE THE NOTICE OF APPEAL YOURSELF IN WRITING WITHIN TEN DAYS  
25 WITH AN APPEAL FEE OF \$105 UNLESS YOU ARE PROCEEDING INFORMA

1 PAUPERIS, FOR WHICH YOU CAN MAKE AFFIDAVIT, IN WHICH CASE YOU  
2 COULD FILE THE NOTICE OF APPEAL WITHOUT ANY FEE. DO YOU  
3 UNDERSTAND THAT, SIR?

4 THE DEFENDANT: YES, SIR.

5 THE COURT: ALL RIGHT. ANYTHING ELSE? ANY OTHER  
6 FINDINGS, ET CETERA BEFORE THE COURT ADJOURNS?

7 MR. GOLDSTEIN: JUDGE, OBVIOUSLY I THINK MR. GADHIA  
8 AND I NEED TO TALK AT LENGTH ABOUT WHETHER ON THE ISSUE OF THE  
9 FOUR LEVEL ADJUSTMENT IF WE ARE GOING TO SEEK AN APPEAL. IF  
10 WE DO, I WOULD BE SEEKING A --

11 THE COURT: WELL, IF YOU DO, SINCE -- I MEAN, I AM  
12 NOT GOING TO ARGUE -- I AM NOT GOING TO DO THIS IN ADVANCE.  
13 YOU FILE THE APPROPRIATE MOTION. IF YOU DO, THIS CASE WOULD  
14 SEEM TO QUALIFY FOR A STAY PENDING APPEAL, BECAUSE -- WELL, IT  
15 IS NOT LIKELY TO RESULT -- THREE MONTHS IMPRISONMENT IS WITHIN  
16 THE GUIDELINES ANYWAY. ALL THAT WOULD BE STRICKEN WOULD BE  
17 THE THREE MONTHS OF HOME DETENTION.

18 MR. EVANS: WELL, THAT WAS GOING TO BE MY REQUEST,  
19 YOUR HONOR. I TAKE IT FROM THE TENOR OF THE COURT'S REMARKS  
20 THAT EVEN HAD --

21 THE COURT: IN ANY EVENT -- OH, CLEARLY, EVEN IF WE  
22 WERE OPERATING AT THE OFFENSE LEVEL SIX, I WOULD HAVE IMPOSED  
23 THREE MONTHS IMPRISONMENT. NO QUESTION ABOUT THAT. THE ONLY  
24 THING THAT WOULD BE IN DOUBT WOULD BE THE SUPERVISED RELEASE  
25 WITH THE HOME DETENTION TO FOLLOW. OKAY?

1 MR. EVANS: THANK YOU.

2 THE COURT: ANYTHING ELSE?

3 MR. EVANS: NOT FROM THE GOVERNMENT.

4 THE COURT: ALL RIGHT. MR. GADHIA, AS I SAID, YOU  
5 ARE NOT A FUNDAMENTALLY EVIL OR BAD PERSON AND I TRUST THAT  
6 AMONG THE PEOPLE THAT YOU WILL APOLOGIZE TO IS INCLUDED  
7 YOURSELF SO THAT YOU WILL, WHEN THIS IS OVER, BE ABLE TO GET  
8 ON WITH YOUR LIFE.

9 COURT STANDS IN ADJOURNMENT.

10 (THEREUPON, AT 12:45 O'CLOCK P.M., AN ADJOURNMENT WAS  
11 HAD IN THIS MATTER.)

12 \* \* \* \* \*

13 C E R T I F I C A T E

14  
15 I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND  
16 CORRECT TRANSCRIPT OF THE PROCEEDINGS INDICATED.

17  
18   
19 CHIEF OFFICIAL REPORTER  
20  
21  
22  
23  
24  
25